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DEPARTMENT OF CONSUMER AFFAIRS ORDERS TALENT AGENCY, OWNER TO PAY \$908K IN FINES FOR DECEPTIVE PRACTICES

WMT Model & Talent Network Development, Ltd. Fined for False Advertising, Failing to Provide Promised Services to Consumers, and Illegally Operating as an Unlicensed Employment Agency

The Department of Consumer Affairs (DCA) today announced that in response to charges it brought, a judge ordered WMT Model & Talent Network Development, Ltd. (224 West 35th Street, Manhattan) to pay \$908,400 in fines to the City after finding that it was illegally advertising services that it did not provide, charging customers for photography services as a precondition for securing jobs that did not exist, and operating as an unlicensed employment agency. The owner of the business, Bradley Poster (aka Brad West, Max Holden and Mark West), was also found to have violated a previous order from DCA to cease operating unlicensed employment agencies. In addition to holding Mr. Poster personally liable for the fines, the judge ordered him to close his business and barred him from holding any DCA license in the future.

DCA charged that between March 2005 and February 2011, WMT Model & Talent Network placed at least 910 advertisements in newspapers and websites aimed at New Yorkers, offering employment to customers pursuing modeling and acting careers. Consumers who responded to these advertisements were instead given a presentation by the owner of the agency, Bradley Poster, who emphasized his professional connections in the modeling and entertainment industries and displayed lists of supposedly available jobs that he kept in binders in the office. Poster then charged consumers fees both to take "head shot" photographs and to post their profiles on his "jobs website." Ultimately, WMT Model & Talent Network did not help any consumers find jobs, instead "baiting and switching" them into paying for nothing more than photography services. Approximately seven dozen consumers filed complaints with DCA about Poster and WMT.

"Unfortunately, and unacceptably, WMT Model & Talent Network and Mr. Poster personally resorted to the classic scam in modeling agencies: bait and switch. By purposefully preying on consumers looking for legitimate employment, he instead sold them unnecessary and unrequested photography services. To any business that still hasn't gotten the message, I'll say it again: any employment agency that takes advantage of job seekers, especially during these tough economic times, will answer to us," said DCA Commissioner Jonathan Mintz. "And I again urge consumers to follow their instincts – steer far clear of anyone who offers to help you but first asks for money before they've actually helped. Regardless of language issues or immigration status, consumers should call 311 if they experience a problem with any employment agency in New York City."

In 2005, DCA brought charges against Mr. Poster's former business, Look International, which was found guilty of operating as an unlicensed employment agency, at which time Mr. Poster was ordered to pay almost \$27,000 in public fines and stop operating and representing his business as an employment agency in advertisements. Records show that two days after signing that agreement, Mr. Poster reincorporated his business under the name WMT Model and Talent Network Development, Ltd. (aka World Model Talent, WMT, Model & Talent Network Management, Network Talent & Model Development, Look International Model & Talent Development, and Photographers R Us).

DCA currently licenses more than 400 employment agencies. In FY2011, DCA received more than 200 complaints about employment agencies. Consumers can instantly check to see if an employment agency is licensed or file an official complaint about an employment agency online at nyc.gov/consumers or by calling 311. Consumers can also send enforcement tips about employment agencies by tweeting @NYCDCA or posting to DCA's Facebook page. Consumers and employment agencies can also download DCA's guide What

<u>You Need to Know about Employment Agencies</u>, the <u>NY Employment Agencies Law</u> in English and Spanish, and see model contracts and receipts.

DCA enforces the Consumer Protection Law and other related business laws throughout New York City. Empowering consumers and businesses to ensure a fair and vibrant marketplace, DCA licenses more than 78,000 businesses in 55 different industries. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses alike about their rights and responsibilities. DCA's Office of Financial Empowerment (OFE) is the first local government initiative in the nation with a mission to educate, empower, and protect New Yorkers with low incomes so they can build assets and make the most of their financial resources. Toward that end, OFE seeks to increase access to high-quality, low-cost financial education and counseling; improve access to incomeboosting tax credits; connect households to safe and affordable banking and asset-building products and services; and enforce and improve consumer protections to enhance financial stability. For more information, call 311 or visit DCA online at nyc.gov/consumers.

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Looking for job placement at an employment agency? Follow these tips:

- Only use a licensed employment agency. Employment agencies operating within New York City must be licensed by the Department of Consumer Affairs. Check to see whether an employment agency is licensed by visiting nyc.gov/consumers and clicking on "Instant License Check" or calling 311.
- Avoid employment agencies that "guarantee" jobs. By law, employment agencies cannot guarantee they will find you a job. In addition, employment agencies cannot refer you to a job that pays less than minimum wage or does not pay overtime.
- **Get a job description in writing.** Employment agencies are required to describe, in writing, all jobs available for agency referral. The description must include the employer's name, address, wage rate, work hours, services you are expected to perform, and the agency fee. If you are not provided this information, call 311 to file a complaint about the employment agency.
- Know your fee and refund rights. You cannot be charged a fee unless the employment agency places you in a job. You can only be charged an advance fee or deposit if you are seeking the following types of work: domestic worker, household worker, manual worker, agricultural worker, skilled industrial worker or mechanic. The advance fee or deposit must go toward the fee the employment agency charges for placing you in a job. If the agency does charge a fee, it must refund that fee at any time if you choose to end your contract before the agency has found you a job. Employment agencies may also charge a placement fee after finding you a job. However, the placement fee cannot exceed the maximum amount allowed by law. This maximum varies depending on the type of employment and the salary amount.
- **Know your wage rights.** Agencies may refer you only to jobs that are current and available and pay at least the minimum wage as set by New York State and federal law. Agencies must obtain job openings directly from the businesses seeking to hire employees.
- Know your contract rights. Employment agencies must show you the entire contract before you sign it. You must be given a copy of any contract you sign. Read the contract carefully to make sure that what you are agreeing to in writing is the same as the deal you accepted verbally. Before signing the contract, get the agency to answer all of your questions, in writing. Contracts negotiated in Spanish must also be written in Spanish. Fees in the contract cannot exceed the fees that are legally permitted. You must also be given a receipt each time you make a payment or deposit. Keep all copies in a safe place.